

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE SUPERVISOR OF DISTRICT I FOR AN ORDER REQUIRING
TEXAS WEST OIL & GAS CORP. TO REMEDIATE ONE WELLSITE IN LEA
COUNTY, NEW MEXICO, AUTHORIZING THE DIVISION TO REMEDIATE
SAID WELLSITE, AND ORDERING A FORFEITURE OF THE BOND, IF ANY.**

CASE NO. 12531

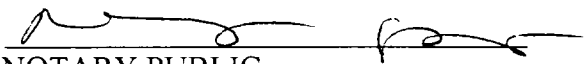
AFFIDAVIT REGARDING NOTICE

1. I am over the age of eighteen and have personal knowledge of the matters stated herein.
2. I am the attorney of record for the Applicant.
3. Applicant has conducted a good faith, diligent effort to find the correct addresses of interest owners entitled to receive notice of the Application herein.
4. Notice of the Application was provided to the interest owners at their correct addresses by mailing them, by certified mail, a copy of the Application. Copies of the notice letter and certified return receipts are attached hereto.
5. Applicant has complied with the notice provisions of Rule 1207.



Marilyn S. Hebert

SUBSCRIBED AND SWORN TO before me this 3rd day of October 2000.



NOTARY PUBLIC

My commission expires:

2/18/2003

BEFORE ME, I, _____
OIL CONSERVATION DIVISION
CCD EXHIBIT NO. <u>3</u>
CASE NO. <u>12531</u>



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

October 11, 2000

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Texas West Oil & Gas Corp.
3000 North Garfield
Midland, TX 79705-6414

American Employers' Insurance Co.
Post Office Box 20666
El Paso, TX 79998

Commercial Union Insurance
Post Office Box 948000
Maitland, FL 32794-8000

Re: Case No. 12532


Application of the New Mexico Oil Conservation Division for an order requiring
Texas West Oil & Gas Corp. to remediate one wellsite in Lea County, New Mexico

This letter is to advise you that the New Mexico Oil Conservation Division has filed the enclosed application for a hearing requiring Texas West Oil & Gas Corp. and other interested parties to appear and show cause why a certain wellsite should not be ordered remediated and properly abandoned.

This application has been set for hearing before an Examiner of the Oil Conservation Division on November 2, 2000. You are not required to attend this hearing, but as owner of an interest that may be affected by an order issued in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B, enclosed, to file a Prehearing Statement three days in advance of the hearing.

Best regards,


Marilyn S. Hebert
Attorney

c: Chris Williams, District Supervisor
OCD Hobbs

12532

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CASE NO. 12532

APPLICATION TO REMEDIATE WELLSITE AND FORFEITURE OF BOND

1. Texas West Oil & Gas, Corp. ("Operator") is the operator of the State "27" Well No. 1, located 330' FSL and 330' FEL of Section 27, Township 15 South, Range 37 East in Lea County, New Mexico.

2. Operator has posted a surety bond in the amount of \$50,000.00 for said well in compliance with NMSA 1978, § 70-2-14 and Rule 101 of the Rules of the Oil Conservation Division ("Division"), which bond is conditioned upon compliance with the statutes of the State of New Mexico and the Rules of the Division with respect to the proper plugging and abandonment of the well operated by Operator. American Employers' Insurance Co. is the surety .

3. The subject well has been plugged, but the wellsite has not been properly remediated in accordance with Rule 202, despite numerous demands by the Division to the Operator to do so.

4. By authority of NMSA 1978, § 70-2-14 the Rules of the Division require wells that are inactive for more than one year or are no longer usable for beneficial purposes to be properly plugged and abandoned.

5. Demand has been made or attempted to be made upon the Operator to properly

remediate the wellsite, and the Operator has failed to do so.

WHEREFORE, the Supervisor of District I of the Oil Conservation Division applies to the Director to enter an order:

A. Determining the wellsite should be remediated in accordance with a Division-approved plugging program.

B. Upon a determination that the wellsite should be remediated, directing Operator to do so.

C. Further ordering that if Operator fails to remediate the wellsite as ordered by the Director, that the Division be authorized: i. To remediate the wellsite; ii. to declare forfeit on the bond, if any, and to take such action to foreclose on the bond; and iii. to recover from the Operator any costs of remediating the wellsite in excess of the amount of the bond, if any.

D. For such other and further relief as the Division deems just and proper, including the assessment of fines.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "Marilyn S. Hebert", is written over the typed name.

Marilyn S. Hebert, Attorney
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505
(505) 827-8156

(10) This paragraph has been moved and renumbered to 19 NMAC 15.N.1207.A.(7). [1-1-86...2-1-96; A, 7-15-99]

(11) This paragraph has been moved and renumbered to 19 NMAC 15.N.1207.A.(8). [1-1-86...2-1-96; A, 7-15-99]

1207.B. Type and Content of Notice. Any notice required by this rule shall be sent by certified mail, return receipt requested, to the last known address of the person to whom notice is to be given at least 20 days prior to the date of hearing of the application and shall include: a copy of the application; the date, time and place of the hearing; and the means by which protests may be made. [1-1-86...2-1-96; A, 7-15-99]

1207.C. At the hearing, the applicant shall make a record, either by testimony or affidavit signed by the applicant or its authorized representative, that: (a) the notice provisions of this rule have been complied with; (b) the applicant has conducted a good-faith diligent effort to find the correct address of all persons entitled to notice; and (c) pursuant to this rule, notice has been given at that correct address as required by this rule. In addition, the record shall contain the name and address of each person to whom notice was sent and, where proof of receipt is available, a copy of the proof. [1-1-86...2-1-96; A, 7-15-99]

1207.D. Evidence of failure to provide notice as required in this rule may, upon proper showing, be considered cause for reopening the case. [1-1-86...2-1-96; A, 7-15-99]

1207.E. In the case of an administrative application where the required notice was sent and a timely filed protest was made, the Division shall notify the applicant and the protesting party in writing that the case has been set for hearing and the date of the hearing. No further notice is required. [7-15-99]

1208 PLEADINGS: COPIES [9-15-55...2-1-96; A, 7-15-99]

1208.A. For pleadings and correspondence filed in cases pending before a Division Examiner, two copies must be filed with the Division. For pleadings and correspondence filed in cases pending before the Commission, five copies must be filed with the Division. The Division will disseminate copies to the members of the Commission. The party filing the pleading or correspondence shall at the same time either hand deliver or transmit by facsimile or electronic mail to any party who has entered an appearance therein or the attorneys of record, a copy of the pleading or correspondence. An appearance of any interested party shall be made either by letter addressed to the Division or in person at any proceeding before the Commission or before a Division Examiner, with notice of such appearance to the parties of record. [9-15-55...2-1-96; A, 7-15-99]


1208.B. Parties to an adjudicatory proceeding must file a prehearing statement three days in advance of a scheduled hearing before the Division or the Commission. The statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing. [7-15-99]

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10



UNITED STATES POSTAL SERVICE

• Print your name, address, and ZIP Code in this box •
ATTENTION: Lyn Hebert, Attorney
NEW MEXICO OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, NM 87505

Z 559 573 246 

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	
Texas West Oil & Gas Corp.	
Street & Number	
3000 North Garfield	
Post Office, State, & ZIP Code	
Midland, TX 79705-6414	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Fold at line over top of envelope to the right of the return address

CERTIFIED

Z 559 573 246

MAIL

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		3. Article Addressed to: American Employers' Insurance Co PO Box 20666 El Paso, TX 79998	
4. Article Number Z 559 573 247		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
5. Received By: (Print Name) 6. Signature: (Addressee or Agent) X		7. Date of Delivery 8. Addressee's Address (Only if requested and fee is paid)	

Thank you for using Return Receipt Service.

Z 559 573 247

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to American Employers' Ins Co.	
Street & Number PO Box 20666	
Post Office, State, & ZIP Code El Paso, TX 79998	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address

CERTIFIED

Z 559 573 247

MAIL

Z 559 573 248

**US Postal Service
Receipt for Certified Mail**

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Fold at line over top of envelope to
the right of the return address

CERTIFIED

Z 559 573 248

MAIL

Sent to		Commercial Union Ins.
Street & Number		PO Box 948000
Post Office, State, & ZIP Code		Maitland, FL 32794-8000
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	
Postmark or Date		

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Commerical Union Insurance
PO Box 948000
Maitland, FL 32794-8000

4a. Article Number

Z 559 573 248

4b. Service Type

- | | |
|---|---|
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Certified |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Insured |
| <input type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> COD |

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.